

1 HB189
2 197386-1
3 By Representatives Fridy and Simpson
4 RFD: Judiciary
5 First Read: 19-MAR-19

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8 SYNOPSIS: Under existing law, an attorney who gives,
9 offers, or promises to give a valuable
10 consideration, including money, to another person
11 for the purpose of encouraging that person to bring
12 an action against another; or who employs another
13 person to search for or procure clients to be
14 brought to the attorney is guilty of a misdemeanor
15 and is fined not more than \$1,000, removed and
16 disbarred from practicing as an attorney, and may
17 be imprisoned for a term not exceeding six months.

18 This bill would increase the criminal
19 penalty by providing that the attorney would be
20 fined not more than \$10,000 and may be imprisoned
21 for not more than one year.

22 Amendment 621 of the Constitution of Alabama
23 of 1901, now appearing as Section 111.05 of the
24 Official Recompilation of the Constitution of
25 Alabama of 1901, as amended, prohibits a general
26 law whose purpose or effect would be to require a
27 new or increased expenditure of local funds from

1 becoming effective with regard to a local
2 governmental entity without enactment by a 2/3 vote
3 unless: it comes within one of a number of
4 specified exceptions; it is approved by the
5 affected entity; or the Legislature appropriates
6 funds, or provides a local source of revenue, to
7 the entity for the purpose.

8 The purpose or effect of this bill would be
9 to require a new or increased expenditure of local
10 funds within the meaning of the amendment. However,
11 the bill does not require approval of a local
12 governmental entity or enactment by a 2/3 vote to
13 become effective because it comes within one of the
14 specified exceptions contained in the amendment.

15
16 A BILL
17 TO BE ENTITLED
18 AN ACT
19

20 To amend Sections 34-3-24 and 34-3-25, Code of
21 Alabama 1975, relating to the crime of giving or receiving
22 valuable consideration as an inducement to bring an action or
23 make a claim against another person; to increase the criminal
24 penalty; and in connection therewith would have as its purpose
25 or effect the requirement of a new or increased expenditure of
26 local funds within the meaning of Amendment 621 of the
27 Constitution of Alabama of 1901, now appearing as Section

1 111.05 of the Official ReCompilation of the Constitution of
2 Alabama of 1901, as amended.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. Sections 34-3-24 and 34-3-25, Code of
5 Alabama 1975, are amended to read as follows:

6 "§34-3-24.

7 "Any attorney~~-at-law~~, either before or after an
8 action is brought, who gives, offers, or promises to give a
9 valuable consideration to another person as an inducement to
10 placing in the hands of ~~such the~~ attorney, ~~or in the hands of~~
11 any partnership of attorneys, or ~~in the hands of~~ any other
12 attorney, a demand of any kind for the purpose of bringing an
13 action or making a claim against another person, corporation,
14 or partnership, or who gives, ~~or~~ offers, or promises a
15 valuable consideration to any person in consideration of ~~such~~
16 the person having so placed in his or her hands as an
17 attorney, or of any other attorney, partnership, or firm of
18 attorneys, a demand of any kind for the purpose of bringing an
19 action or making claim against another; or who employs or
20 offers to employ any person to search for or procure clients
21 to be brought to ~~such the~~ attorney, ~~or~~ any other attorney, or
22 partnership or firm of attorneys; or who employs or offers to
23 employ a person to solicit, search for or procure business for
24 ~~himself as the~~ attorney or for any other attorney, firm, or
25 partnership of attorneys shall be guilty of a misdemeanor and,
26 on conviction, shall be fined ~~in~~ a sum not exceeding ~~\$1,000~~
27 ten thousand dollars (\$10,000) and also be removed and

1 disbarred from practicing as an attorney~~-at-law~~ in this state,
2 and may, in addition, be imprisoned ~~in the county jail or~~
3 ~~sentenced to hard labor for the county~~ for a term not
4 exceeding ~~six months, at the discretion of the court trying~~
5 ~~the case~~ one year.

6 "§34-3-25.

7 "Any person who ~~shall,~~ before or after an action is
8 brought, ~~receive or agree~~ receives or agrees to receive from
9 any attorney~~-at-law,~~ firm, or partnership of attorneys
10 compensation for services in seeking out, procuring, or
11 placing in the hands of an attorney, firm, or partnership of
12 attorneys a demand of any kind for an action or compromise
13 shall be guilty of a misdemeanor and, upon conviction, shall
14 be fined in a sum not exceeding ~~\$1,000~~ ten thousand dollars
15 (\$10,000) and, in addition, may be punished by imprisonment ~~in~~
16 ~~the county jail or by hard labor for the county~~ for a term not
17 exceeding ~~six months, at the discretion of the court trying~~
18 ~~the case~~ one year."

19 Section 2. Although this bill would have as its
20 purpose or effect the requirement of a new or increased
21 expenditure of local funds, the bill is excluded from further
22 requirements and application under Amendment 621, now
23 appearing as Section 111.05 of the Official Recompilation of
24 the Constitution of Alabama of 1901, as amended, because the
25 bill defines a new crime or amends the definition of an
26 existing crime.

1 Section 3. This act shall become effective on the
2 first day of the third month following its passage and
3 approval by the Governor, or its otherwise becoming law.